

**Oral Testimony of Secretary Kelly M. Schulz  
Maryland Department of Commerce**

**Before the Subcommittee on Worker & Family Support of the Committee on Ways & Means  
U.S. House of Representatives**

**Leveling the Playing Field for Workers: Challenges and Opportunities**

**Thursday, March 7, 2019**

Good afternoon, Chairman Davis, Ranking Member Walorski, and distinguished members of the Subcommittee.

I am Kelly Schulz, secretary of the Maryland Department of Commerce, and former secretary of the Maryland Department of Labor, Licensing and Regulation under Governor Larry Hogan.

I am honored to be here today, and thank you for the opportunity to discuss what I believe is the way forward for workforce development in the United States.

In Maryland, we take the concerns of our workforce very seriously.

For us, it is not a game, and we do not treat lightly the challenges faced by our workers and employers.

Over the years, we have worked incredibly hard to identify ways in which the state can play a role in sustaining and growing jobs, and have learned that the best solutions are those that temper strategy with funding and leverage partnership, knowledge, and experience of those “on the field” to drive innovation.

Today, I will share with you the pinnacle of Maryland’s workforce development efforts, a program called Employment Advancement Right Now, or EARN Maryland.

The EARN program is innovative and transformative.

What makes it unique is that it is industry-led.

It builds a collaborative system of employer and industry representatives, non-profit and community-based organizations, and workforce, economic development, and higher education partners and empowers them to drive innovation and implement solutions.

We know that our business and industry partners best know the challenges faced by their workforce, and so we rely upon their experience and creativity to design individual development programs relevant to their industry and occupations.

Working together, we focus on industry sector strategies that establish long-term solutions to sustained skills gaps and personnel shortages, and help working families by creating formal career paths to good jobs.

EARN encourages mobility for Maryland's most hard-to-serve jobseekers through targeted job readiness training, and fosters better coordination between the public, private, and non-profit sectors and the workforce, economic development, and education partners around the state.

EARN not only provides trainees with in-demand skills, but also utilizes a holistic approach to ensure candidates are ready for work.

By leveraging relations with non-profit and community-based organizations, the program helps underserved populations with barriers to employment, including lack of transportation, homelessness, addiction, childcare needs, and criminal backgrounds.

This collaboration is an important paradigm shift in workforce development, and the very reason for the program's success.

Instead of attempting to address barriers to employment with a one-size-fits-all approach, EARN identifies common workforce needs in specific occupations and then develops and implements education and training strategies that address those deficiencies.

It is our partners' intimate knowledge of their industry's needs and their personal involvement in the program's design that ensure those participating in EARN training have the relevant, in-demand skills that drive growth.

And it works.

A recent study on the economic impact of the program shows that for every dollar Maryland invests, an additional \$18.50 in economic activity is created.

Comparatively, the national average for similar programs is about \$3.41.

What is more, as of October 2018, more than 5,600 incumbent workers in Maryland have received training, attaining new credentials, certifications, and skills.

Additionally, 3,573 EARN participants completed entry level training programs.

Of those participants, 2,971, or 83%, obtained employment.

Since EARN Maryland was founded in 2014, it has transformed countless lives, providing opportunities that otherwise may not have been available. I'd like to share just a few of our numerous success stories from this program.

EARN participant Davontay completed entry level training and is today employed full-time in the tech industry.

He was struggling with financial instability and homelessness, and was looking for a better way of life for himself and his son when he learned about the NPower Tech Fundamentals program.

There he learned valuable technology skills, and is today a full-time network technician specialist.

What Davontay learned through his EARN training allowed him to gain financial stability to help deal with the obstacles that come along with being a single father.

He is now building his experience and preparing to test for his CompTIA Network+ certification.

EARN participant Joseph was living in a Baltimore homeless shelter when he heard about a training program through the Jane Addams Resource Corporation (JARC), an EARN Maryland grantee.

Joseph was struggling to overcome a felony theft conviction – a significant barrier when trying to enter the job market.

With our grantee's influence, Joseph was given an opportunity to start a career in manufacturing.

He even received a scholarship for a vehicle, and help getting his driver's license reinstated.

Joseph has since passed his probationary period and has earned two pay raises. He now has a 401K and vacation time.

There are countless stories like these, of people whose lives have been changed through the EARN program.

We are proud to say that in Maryland – working hand in hand with our industry and business partners – we are addressing the needs of our workforce in a strategic and economically efficient way, which has proven to help workers at their point of need, without unnecessary spending by the state.

With continuing investment by Governor Hogan, EARN continues to have a profound impact on the business community and jobseekers in Maryland.

The Hogan Administration is proud to support this program and is excited to share its successes in the years to come.

Thank you again for this opportunity to speak with you today, and I look forward to answering your questions.